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House of Representatives
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CHAPTER 241

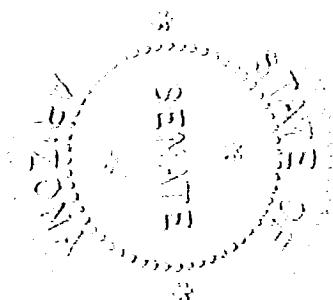
HOUSE BILL 2213

AN ACT

AMENDING SECTION 15-1425, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, SECOND SPECIAL SESSION, CHAPTER 6, SECTION 4; REPEALING SECTION 15-1425, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 372, SECTION 2; AMENDING SECTION 15-2002, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 11, SECTION 3 AND CHAPTER 23, SECTION 6; REPEALING SECTION 15-2002, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 297, SECTION 2; AMENDING SECTION 20-1379, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 58, SECTION 15 AND CHAPTER 344, SECTION 24; REPEALING SECTION 20-1379, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 328, SECTION 7; REPEALING SECTION 28-6991, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 238, SECTION 4; AMENDING SECTION 32-1551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2000, CHAPTER 113, SECTION 98; REPEALING SECTION 32-1551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 289, SECTION 7; AMENDING SECTION 33-2132, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2000, CHAPTER 289, SECTION 1 AND AS TRANSFERRED AND RENUMBERED BY LAWS 2001, CHAPTER 221, SECTION 3; REPEALING SECTION 33-2132, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 221, SECTION 10; AMENDING SECTION 36-2903.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 2; REPEALING SECTION 36-2903.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, SECOND SPECIAL SESSION, CHAPTER 8, SECTION 2; AMENDING SECTION 38-885, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1997, CHAPTER 197, SECTION 2; REPEALING SECTION 38-885, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 380, SECTION 12; AMENDING SECTION 41-821, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1997, CHAPTER 58, SECTION 21; REPEALING SECTION 41-821, ARIZONA REVISED STATUTES, AS AMENDED

BY LAWS 2001, CHAPTER 238, SECTION 11; AMENDING SECTION 41-1758.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 350, SECTION 6; REPEALING SECTION 41-1758.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 111, SECTION 4; AMENDING SECTION 41-1967, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 350, SECTION 10; REPEALING SECTION 41-1967, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 111, SECTION 5; REPEALING SECTION 41-2306, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2000, CHAPTER 372, SECTION 3; REPEALING SECTION 41-2534, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 324, SECTION 33; AMENDING SECTION 44-313, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 117, SECTION 36 AND CHAPTER 146, SECTION 5; PROVIDING FOR THE DELAYED REPEAL OF SECTION 44-313, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 22, SECTION 15; AMENDING SECTION 44-314, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 117, SECTION 37; PROVIDING FOR THE DELAYED REPEAL OF SECTION 44-314, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 22, SECTION 16; AMENDING SECTION 44-1445, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1998, CHAPTER 258, SECTION 6; REPEALING SECTION 44-1445, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 106, SECTION 3; AMENDING SECTION 49-551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 229, SECTION 2; REPEALING SECTION 49-551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 371, SECTION 14; REPEALING LAWS 2000, CHAPTER 122, SECTION 1, AS AMENDED BY LAWS 2001, CHAPTER 358, SECTION 1; REPEALING LAWS 2000, CHAPTER 122, SECTION 3, AS AMENDED BY LAWS 2001, CHAPTER 358, SECTION 3; REPEALING LAWS 2001, CHAPTER 324, SECTION 30; RELATING TO MULTIPLE, DEFECTIVE AND CONFLICTING LEGISLATIVE DISPOSITIONS OF STATUTORY TEXT.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Purpose

3 1. Section 15-1425, Arizona Revised Statutes, was amended by Laws
4 2001, chapter 75, section 1 and Laws 2001, chapter 372, section 2. These two
5 versions could not be blended because of the delayed effective date of the
6 chapter 372 version. The chapter 75 version was subsequently amended by Laws
7 2001, second special session, chapter 6, section 4. In order to combine
8 these two versions, this act amends the Laws 2001, second special session,
9 chapter 6 version of section 15-1425, Arizona Revised Statutes, to
10 incorporate the amendments made by Laws 2001, chapter 372 and the chapter 372
11 version is repealed.

12 2. Section 15-2002, Arizona Revised Statutes, was amended by Laws
13 2001, chapter 11, section 3, Laws 2001, chapter 23, section 6 and Laws 2001,
14 chapter 297, section 2. The chapter 297 version could not be blended because
15 it failed to amend the chapter 11 version, which was an emergency enactment,
16 and therefore did not comply with article IV, part 2, section 14,
17 Constitution of Arizona. To accomplish the intent of these enactments, this
18 act amends the 2001 blended version of section 15-2002, Arizona Revised
19 Statutes, to incorporate the amendments made by Laws 2001, chapter 297 and
20 the chapter 297 version is repealed.

21 3. Section 20-1379, Arizona Revised Statutes, as amended by Laws 2000,
22 chapter 355, section 10, was amended by Laws 2001, chapter 58, section 15,
23 Laws 2001, chapter 328, section 7 and Laws 2001, chapter 344, section
24 24. The Laws 2000, chapter 355 version was not effective until July 1,
25 2001. The Laws 2001, chapter 328 version was enacted as an emergency measure
26 and was effective on May 4, 2001. In order to correct a potentially
27 defective enactment, this act amends the 2001 blended version of section
28 20-1379, Arizona Revised Statutes, as amended by Laws 2000, chapter 355,
29 section 10, to incorporate the amendments made by Laws 2001, chapter 328 and
30 the chapter 328 version is repealed.

31 4. Section 28-6991, Arizona Revised Statutes, was amended by Laws
32 2001, chapter 154, section 4, Laws 2001, chapter 238, section 4, Laws 2001,
33 chapter 316, section 2 and Laws 2001, chapter 337, section 5. However,
34 because the governor line-item vetoed the only substantive change in the
35 chapter 238 version, the chapter 238 version was not included in the 2001
36 blended version because there were no changes to be shown in the blended
37 version from the chapter 238 version. Since no changes were made by the
38 chapter 238 version, this act repeals the Laws 2001, chapter 238 version of
39 section 28-6991, Arizona Revised Statutes.

40 5. Section 32-1551, Arizona Revised Statutes, was amended by Laws
41 2001, chapter 289, section 7. However, this version did not reflect the
42 amendments made by Laws 2000, chapter 113, section 98. In order to comply
43 with article IV, part 2, section 14, Constitution of Arizona, this act amends
44 the previous valid version of section 32-1551, Arizona Revised Statutes, to

1 incorporate the amendments made by Laws 2001, chapter 289 and the chapter 289
2 version is repealed.

3 6. Section 33-2132, Arizona Revised Statutes, was amended by Laws
4 2001, chapter 221, section 10. However, this enactment did not reflect the
5 complete version of the section added by Laws 2000, chapter 289, section
6 1. In order to comply with article IV, part 2, section 14, Constitution of
7 Arizona, this act amends section 33-2132, Arizona Revised Statutes, as added
8 by Laws 2000, chapter 289, section 1 and as transferred and renumbered by
9 Laws 2001, chapter 221, section 3, to incorporate the amendments made by Laws
10 2001, chapter 221, section 10 and the chapter 221, section 10 version is
11 repealed.

12 7. Section 36-2903.03, Arizona Revised Statutes, was amended by Laws
13 2001, second special session, chapter 8, section 2. However, this version
14 did not reflect the amendments made by Laws 2001, first special session,
15 chapter 1, section 2. In order to comply with article IV, part 2, section
16 14, Constitution of Arizona, this act amends the previous valid version of
17 section 36-2903.03, Arizona Revised Statutes, to incorporate the amendments
18 made by Laws 2001, second special session, chapter 8 and the chapter 8
19 version is repealed.

20 8. Section 38-885, Arizona Revised Statutes, was amended by Laws 2001,
21 chapter 309, section 2 and section 38-885, Arizona Revised Statutes, as
22 amended by Laws 2001, chapter 309, section 2, was amended by Laws 2001,
23 chapter 380, section 12. However, these versions did not reflect the
24 previous valid version of the section. In order to comply with article IV,
25 part 2, section 14, Constitution of Arizona, this act amends section 38-885,
26 Arizona Revised Statutes, as amended by Laws 1997, chapter 197, section 2,
27 to incorporate the amendments made by Laws 2001, chapter 309, section 2 and
28 Laws 2001, chapter 380, section 12 and the chapter 380 version is repealed.

29 9. Section 41-821, Arizona Revised Statutes, was amended by Laws 2001,
30 chapter 238, section 11. However, this version did not reflect the previous
31 valid version of the section. In order to comply with article IV, part 2,
32 section 14, Constitution of Arizona, this act amends section 41-821, Arizona
33 Revised Statutes, as amended by Laws 1997, chapter 58, section 21, to
34 incorporate the amendments made by Laws 2001, chapter 238 and the Laws 2001,
35 chapter 238 version is repealed.

36 10. Section 41-1758.01, Arizona Revised Statutes, was amended by Laws
37 2001, chapter 111, section 4 and Laws 2001, chapter 350, section 6. These
38 two versions could not be blended because of the delayed effective date of
39 the chapter 111 version. In order to combine these two versions, this act
40 amends the Laws 2001, chapter 350 version of section 41-1758.01, Arizona
41 Revised Statutes, to incorporate the amendments made by Laws 2001, chapter
42 111 and the chapter 111 version is repealed.

43 11. Section 41-1967, Arizona Revised Statutes, was amended by Laws
44 2001, chapter 111, section 5 and Laws 2001, chapter 350, section 10. These
45 two versions could not be blended because of the delayed effective date of

1 the chapter 111 version. In order to combine these two versions, this act
2 amends the Laws 2001, chapter 350 version of section 41-1967, Arizona Revised
3 Statutes, to incorporate the amendments made by Laws 2001, chapter 111 and
4 the chapter 111 version is repealed.

5 12. Section 41-2306, Arizona Revised Statutes, was amended by Laws
6 2000, chapter 372, section 3 and Laws 2000, chapter 375, section 3. The
7 chapter 372 version was subject to a conditional repeal and that condition
8 did not occur. Since the chapter 375 version contains all of the changes in
9 the chapter 372 version, the chapter 372 version is repealed.

10 13. Section 41-2534, Arizona Revised Statutes, was amended by Laws
11 2001, chapter 227, section 17 and Laws 2001, chapter 324, section 33. The
12 chapter 324 version failed to amend the chapter 227 version, which was an
13 emergency enactment, and therefore did not comply with article IV, part 2,
14 section 14, Constitution of Arizona. Since the chapter 227 version contains
15 all of the changes in the chapter 324 version, the chapter 324 version is
16 repealed.

17 14. Section 44-313, Arizona Revised Statutes, was amended by Laws 2001,
18 chapter 22, section 15, Laws 2001, chapter 117, section 36 and Laws 2001,
19 chapter 146, section 5. These three versions could not be blended because
20 of the delayed effective date of the chapter 22 version. In order to combine
21 these three versions, this act amends the 2001 blended version of section
22 44-313, Arizona Revised Statutes, to incorporate the amendments made by Laws
23 2001, chapter 22 and the chapter 22 version is repealed.

24 15. Section 44-314, Arizona Revised Statutes, was amended by Laws 2001,
25 chapter 22, section 16 and Laws 2001, chapter 117, section 37. These two
26 versions could not be blended because of the delayed effective date of the
27 chapter 22 version. In order to combine these two versions, this act amends
28 the Laws 2001, chapter 117 version of section 44-314, Arizona Revised
29 Statutes, to incorporate the amendments made by Laws 2001, chapter 22 and the
30 chapter 22 version is repealed.

31 16. Section 44-1445, Arizona Revised Statutes, was amended by Laws
32 2001, chapter 106, section 3. However, the version of this section that was
33 amended was erroneously identified in the title of the act in violation of
34 article IV, part 2, section 13, Constitution of Arizona. In order to correct
35 a potentially defective enactment, this act amends the previous valid version
36 of section 44-1445, Arizona Revised Statutes, to incorporate the amendments
37 made by Laws 2001, chapter 106 and the chapter 106 version is repealed.

38 17. Section 49-551, Arizona Revised Statutes, was amended by Laws 2001,
39 chapter 229, section 2 and Laws 2001, chapter 371, section 14. The chapter
40 371 version failed to amend the chapter 229 version, which was an emergency
41 enactment, and therefore did not comply with article IV, part 2, section 14,
42 Constitution of Arizona. To accomplish the intent of these enactments, this
43 act amends the Laws 2001, chapter 229 version of section 49-551, Arizona
44 Revised Statutes, to incorporate the amendments made by Laws 2001, chapter
45 371 and the chapter 371 version is repealed.

1 18. Laws 2000, chapter 122, section 1 was amended by Laws 2001, chapter
2 217, section 3 and Laws 2001, chapter 358, section 1. The chapter 217
3 version included all of the changes made by the chapter 358 version. In
4 order to eliminate the double amendment activity, this act repeals Laws 2000,
5 chapter 122, section 1, as amended by Laws 2001, chapter 358, section 1.

6 19. Laws 2000, chapter 122, section 3 was amended by Laws 2001, chapter
7 217, section 4 and Laws 2001, chapter 358, section 3. The amendments were
8 identical. In order to eliminate the double amendment activity, this act
9 repeals Laws 2000, chapter 122, section 3, as amended by Laws 2001, chapter
10 358, section 3.

11 20. Laws 2001, chapter 324, section 30 and Laws 2001, chapter 349,
12 section 4 prescribed the delayed repeal of sections 38-844.02 through
13 38-844.09, Arizona Revised Statutes, in an identical manner. In order to
14 eliminate the double enactment activity, this act repeals Laws 2001, chapter
15 324, section 30.

16 Sec. 2. Section 15-1425, Arizona Revised Statutes, as amended by Laws
17 2001, second special session, chapter 6, section 4, is amended to read:

18 15-1425. General administrative powers of the state board

19 The state board shall:

20 1. Enact ordinances for the government of the institutions under its
21 jurisdiction.

22 2. Set standards for the establishment, development, administration,
23 operation and accreditation of community colleges.

24 3. Establish qualifications of the instructional staff and establish
25 standards of vocational and technological competence required to instruct in
26 occupational as well as academic subjects.

27 4. Fix tuitions and fees which the community college districts shall
28 charge and graduate the tuitions and fees between institutions and between
29 residents, nonresidents and students from foreign countries.

30 5. Establish curriculums and designate courses at the several
31 institutions which in its judgment will best serve the interests of this
32 state.

33 6. Prescribe qualifications for admission to community colleges for
34 veterans, honorably discharged, who served on active duty in the armed forces
35 for a minimum of one year and who were previously enrolled at a community
36 college or university in this state. For the purpose of determining the
37 qualifications the state board may not consider prior failing grades received
38 by the veteran at a community college or university in this state.

39 7. In conjunction with the state board for vocational and
40 technological education review and adopt, within the scope of the statutory
41 definitions of vocational and technological education, program and staff
42 standards with modifications as necessary for courses taught in community
43 colleges. The state board shall base the standards on vocational and
44 technological competence.

1 8. In conjunction with the state board for vocational and
2 technological education, prepare, publish and distribute an annual state plan
3 and a comprehensive five year state plan.

4 9. Prescribe the manner in which the self-evaluation of vocational and
5 technological education programs as provided in section 15-1447 is conducted.

6 10. Prescribe guidelines providing for the transferability between
7 community college district vocational and technological education programs
8 and in conjunction with the state board for vocational and technological
9 education prescribe guidelines for the interrelationship of secondary
10 programs and postsecondary programs.

11 11. In conjunction with the state board for vocational and
12 technological education, develop a process to determine program funding
13 priorities for state aid purposes. The state board shall submit state aid
14 recommendations to the legislature. The recommendations shall be based on
15 the process and on existing cost studies of vocational and technological
16 education in this state.

17 12. Submit to the economic estimates commission prior to January 10 of
18 each year the estimated number of full-time equivalent students for each
19 community college district as prescribed in section 15-1466.01.

20 13. Determine academic classes which qualify as open entry, open exit
21 classes as defined in section 15-1401 and prescribe rules for the operation
22 of open entry, open exit classes.

23 14. Require the publisher of each literary and nonliterary textbook
24 used in the community colleges of this state to furnish computer software in
25 a standardized format when software becomes available for nonliterary
26 textbooks, to the state board of directors for community colleges from which
27 braille versions of the textbook may be produced.

28 15. IDENTIFY STUDENTS SIMULTANEOUSLY ENROLLED IN A COURSE FOR BOTH HIGH
29 SCHOOL AND COLLEGE CREDIT BY USING THE SAME STUDENT LEVEL DATA ELEMENT
30 REQUIRED BY SECTION 15-1042, SUBSECTION G. THE AUDITOR GENERAL SHALL HAVE
31 ACCESS TO THIS INFORMATION WHEN CERTIFYING THE FULL-TIME EQUIVALENT STUDENT
32 ENROLLMENT PURSUANT TO SECTION 15-1466.01, PARAGRAPH 4.

33 Sec. 3. Repeal

34 Section 15-1425, Arizona Revised Statutes, as amended by Laws 2001,
35 chapter 372, section 2, is repealed.

36 Sec. 4. Section 15-2002, Arizona Revised Statutes, as amended by Laws
37 2001, chapter 11, section 3 and chapter 23, section 6, is amended to read:

38 15-2002. Powers and duties; executive director; staffing;
39 report.

40 A. The school facilities board shall:

41 1. Make assessments of school facilities and equipment deficiencies
42 pursuant to section 15-2021 and approve the distribution of grants as
43 appropriate.

1 2. Develop a database for administering the building renewal formula
2 prescribed in section 15-2031 and administer the distribution of monies to
3 school districts for building renewal.

4 3. Inspect school buildings at least once every five years to ensure
5 compliance with the building adequacy standards prescribed in section 15-2011
6 with respect to construction of new buildings and maintenance of existing
7 buildings.

8 4. Review and approve student population projections submitted by
9 school districts to determine to what extent school districts are entitled
10 to monies to construct new facilities pursuant to section 15-2041. The board
11 shall make a final determination within six months of the receipt of an
12 application by a school district for monies from the new school facilities
13 fund.

14 5. Certify that plans for new school facilities meet the building
15 adequacy standards prescribed in section 15-2011.

16 6. Develop prototypical elementary and high school designs. The board
17 shall review the design differences between the schools with the highest
18 academic productivity scores and the schools with the lowest academic
19 productivity scores. The board shall also review the results of a valid and
20 reliable survey of parent quality rating in the highest performing schools
21 and the lowest performing schools in this state. The survey of parent
22 quality rating shall be administered by the department of education. The
23 board shall consider the design elements of the schools with the highest
24 academic productivity scores and parent quality ratings in the development
25 of elementary and high school designs. The board shall develop separate
26 school designs for elementary, middle and high schools with varying pupil
27 capacities.

28 7. Develop application forms, reporting forms and procedures to carry
29 out the requirements of this article.

30 8. Review and approve or reject requests submitted by school districts
31 to take actions pursuant to section 15-341, subsection F.

32 9. Submit an annual report by December 15 to the speaker of the house
33 of representatives, the president of the senate, the superintendent of public
34 instruction, the director of the Arizona state library, archives and public
35 records and the governor that includes the following information:

36 (a) A detailed description of the amount of monies distributed by the
37 school facilities board in the previous fiscal year.

38 (b) A list of each capital project that received monies from the
39 school facilities board during the previous fiscal year, a brief description
40 of each project that was funded and a summary of the board's reasons for the
41 distribution of monies for the project.

42 (c) A summary of the findings and conclusions of the building
43 maintenance inspections conducted pursuant to this article during the
44 previous fiscal year.

1 (d) A summary of the findings of common design elements and
2 characteristics of the highest performing schools and the lowest performing
3 schools based on academic productivity including the results of the parent
4 quality rating survey.

5 For the purposes of this paragraph, "academic productivity" means academic
6 year advancement per calendar year as measured with student-level data using
7 the statewide nationally standardized norm-referenced achievement test.

8 10. By December 1 of each even-numbered year, report to the joint
9 committee on capital review the estimated amounts necessary to fulfill the
10 requirements of sections 15-2021, 15-2022, 15-2031 and 15-2041 for the
11 following two fiscal years. By December 1 of each odd-numbered year, the
12 board shall provide to the joint committee on capital review an update of the
13 estimated amounts necessary to fulfill the requirements of sections 15-2021,
14 15-2022, 15-2031 and 15-2041 for the following fiscal year. No later than
15 January 1 of each year, the board shall instruct the state treasurer as to
16 the amounts under the transaction privilege tax to be credited in equal
17 quarterly installments for the following state fiscal year. The board shall
18 provide copies of both reports to the president of the senate, the speaker
19 of the house of representatives and the governor.

20 11. Adopt minimum school facility adequacy guidelines to provide the
21 minimum quality and quantity of school buildings and the facilities and
22 equipment necessary and appropriate to enable pupils to achieve the
23 educational goals of the Arizona state schools for the deaf and the
24 blind. The school facilities board shall establish minimum school facility
25 adequacy guidelines applicable to the Arizona state schools for the deaf and
26 the blind by December 31, 2000.

27 B. The school facilities board may contract for private services in
28 compliance with the procurement practices prescribed in title 41, chapter 23.

29 C. The governor shall appoint an executive director of the school
30 facilities board pursuant to section 38-211. The executive director is
31 eligible to receive compensation as determined pursuant to section 38-611 and
32 may hire and fire necessary staff as approved by the legislature in the
33 budget. The executive director shall have demonstrated competency in school
34 finance, facilities design or facilities management, either in private
35 business or government service. The executive director serves at the
36 pleasure of the governor. The staff of the school facilities board is exempt
37 from title 41, chapter 4, articles 5 and 6. The executive director:

38 1. Shall analyze applications for monies submitted to the board by
39 school districts.

40 2. Shall assist the board in developing forms and procedures for the
41 distribution and review of applications and the distribution of monies to
42 school districts.

43 3. May review or audit, or both, the expenditure of monies by a school
44 district for deficiencies corrections, building renewal and new school
45 facilities.

1 4. Shall assist the board in the preparation of the board's annual
2 report.

3 5. Shall research and provide reports on issues of general interest
4 to the board.

5 6. May aid school districts in the development of reasonable and
6 cost-effective school designs in order to avoid statewide duplicated efforts
7 and unwarranted expenditures in the area of school design.

8 7. May assist school districts in facilitating the development of
9 multijurisdictional facilities.

10 8. Shall assist the board in any other appropriate matter or method
11 as directed by the members of the board.

12 9. Shall establish procedures to ensure compliance with the notice and
13 hearing requirements prescribed in section 15-905. The notice and hearing
14 procedures adopted by the board shall include the requirement, with respect
15 to the board's consideration of any application filed after July 1, 2001 for
16 monies to fund the construction of new school facilities proposed to be
17 located in territory in the vicinity of a military airport as defined in
18 section 28-8461, that the military airport receive notification of the
19 application by first class mail at least thirty days before any hearing
20 concerning the application.

21 10. May expedite any request for funds in which the local match was not
22 obtained for a project that received preliminary approval by the state board
23 for school capital facilities.

24 11. Shall expedite any request for funds in which the school district
25 governing board submits an application that shows an immediate need for a new
26 school facility.

27 12. Shall make a determination as to administrative completion within
28 one month after the receipt of an application by a school district for monies
29 from the new school facilities fund.

30 13. Shall provide technical support to school districts as requested
31 by school districts in connection with the construction of new school
32 facilities and the maintenance of existing school facilities.

33 D. When appropriate, the school facilities board shall review and use
34 the statewide school facilities inventory and needs assessment conducted by
35 the joint committee on capital review and issued in July, 1995.

36 E. The school facilities board shall contract with one or more private
37 building inspectors to complete an initial assessment of school facilities
38 and equipment provided in section 15-2021 and shall inspect each school
39 building in this state at least once every five years to ensure compliance
40 with section 15-2011. A copy of the inspection report, together with any
41 recommendations for building maintenance, shall be provided to the school
42 facilities board and the governing board of the school district.

43 F. The school facilities board may consider appropriate combinations
44 of facilities or uses in making assessments of and curing deficiencies
45 pursuant to subsection A, paragraph 1 of this section and in certifying plans

1 for new school facilities pursuant to subsection A, paragraph 5 of this
2 section.

3 G. The board shall not award any monies to fund new facilities that
4 are financed by class A bonds that are issued by the school district.

5 H. The board shall not distribute monies to a school district for
6 replacement or repair of facilities if the costs associated with the
7 replacement or repair are covered by insurance or a performance or payment
8 bond.

9 I. The board may contract for construction services and materials that
10 are necessary to correct existing deficiencies in school district facilities
11 as determined pursuant to section 15-2021. The board may procure the
12 construction services necessary pursuant to this subsection by any method
13 including construction-manager-at-risk, design-build, design-bid-build or
14 job-order-contracting as provided by title 41, chapter 23. The construction
15 planning and services performed pursuant to this subsection are exempt from
16 the provisions of section 41-791.01.

17 J. The school facilities board may enter into agreements with school
18 districts to allow school facilities board staff and contractors access to
19 school property for the purposes of performing the construction services
20 necessary pursuant to subsection I of this section.

21 Sec. 5. Repeal

22 Section 15-2002, Arizona Revised Statutes, as amended by Laws 2001,
23 chapter 297, section 2, is repealed.

24 Sec. 6. Section 20-1379, Arizona Revised Statutes, as amended by Laws
25 2001, chapter 58, section 15 and chapter 344, section 24, is amended to read:

26 20-1379. Guaranteed availability of individual health insurance
27 coverage; prior group coverage; definitions

28 A. Every health care insurer that offers individual health insurance
29 coverage in the individual market in this state shall provide guaranteed
30 availability of coverage to an eligible individual who desires to enroll in
31 individual health insurance coverage and shall not:

32 1. Decline to offer that coverage to, or deny enrollment of, that
33 individual.

34 2. Impose any preexisting condition exclusion for that coverage.

35 B. Every health care insurer that offers individual health insurance
36 coverage in the individual market in this state shall offer all policy forms
37 of health insurance coverage that are designed for, are made generally
38 available and actively marketed to and enroll both eligible or other
39 individuals. A health care insurer that offers only one policy form in the
40 individual market complies with this section by offering that form to
41 eligible individuals. A health care insurer also may comply with the
42 requirements of this section by electing to offer at least two different
43 policy forms to eligible individuals as provided by subsection C of this
44 section.

1 C. A health care insurer shall meet the requirements prescribed in
2 subsection B of this section if:

3 1. The health care insurer offers at least two different policy forms,
4 both of which are designed for, made generally available and actively
5 marketed to and enroll both eligible and other individuals.

6 2. The offer includes at least either:

7 (a) The policy forms with the largest and next to the largest earned
8 premium volume of all policy forms offered by the health care insurer in this
9 state in the individual market during a period not to exceed the preceding
10 two calendar years.

11 (b) A choice of two policy forms with representative coverage,
12 consisting of a lower level of coverage policy form and a higher level of
13 coverage policy form, each of which includes benefits that are substantially
14 similar to other individual health insurance coverage offered by the health
15 care insurer in this state and each of which is covered by a method that
16 provides for risk adjustment, risk spreading or a risk spreading mechanism
17 among the health care insurer's policies.

18 D. The health care insurer's election pursuant to subsection C of this
19 section is effective for policies offered during a period of at least two
20 years.

21 E. If a health care insurer offers individual health insurance
22 coverage in the individual market through a network plan, the health care
23 insurer may do both of the following:

24 1. Limit the individuals who may be enrolled under health insurance
25 coverage to those who live, reside or work within the service area for a
26 network plan.

27 2. Within the service area of a network plan, deny health insurance
28 coverage to individuals if the health care insurer has demonstrated, if
29 required, to the director that both:

30 (a) The health care insurer will not have the capacity to deliver
31 services adequately to additional individual enrollees because of the health
32 care insurer's obligations to existing group contract holders and enrollees
33 and individual enrollees.

34 (b) The health care insurer is applying this paragraph uniformly to
35 individuals without regard to any health status-related factor of the
36 individuals and without regard to whether the individuals are eligible
37 individuals.

38 F. A health care insurer may deny individual health insurance coverage
39 in the individual market to an eligible individual if the health care insurer
40 demonstrates to the director that the health care insurer:

41 1. Does not have the financial reserves necessary to underwrite
42 additional coverage.

43 2. Is denying coverage uniformly to all individuals in the individual
44 market in this state pursuant to state law and without regard to any health

1 status-related factor of the individuals and without regard to whether the
2 individuals are eligible individuals.

3 G. If a health care insurer denies health insurance coverage in this
4 state pursuant to subsection F of this section, the health care insurer shall
5 not offer that coverage in the individual market in this state for one
6 hundred eighty days after the date the coverage is denied or until the health
7 care insurer demonstrates to the director that the health care insurer has
8 sufficient financial reserves to underwrite additional coverage, whichever
9 is later.

10 H. An accountable health plan as defined in section 20-2301 that
11 offers conversion policies on an individual or group basis in connection with
12 a health benefits plan pursuant to this title is not a health care insurer
13 that offers individual health insurance coverage solely because of the offer
14 of a conversion policy.

15 I. Nothing in this section:

16 1. Creates additional restrictions on the amount of the premium rates
17 that a health care insurer may charge an individual for health insurance
18 coverage provided in the individual market.

19 2. Prevents a health care insurer that offers health insurance
20 coverage in the individual market from establishing premium rates or
21 modifying otherwise applicable copayments or deductibles in return for
22 adherence to programs of health promotion and disease prevention.

23 3. Requires a health care insurer that offers only short-term limited
24 duration insurance limited benefit coverage or to individuals and no other
25 coverage to individuals in the individual market to offer individual health
26 insurance coverage in the individual market.

27 4. Requires a health care insurer offering health care coverage only
28 on a group basis or through one or more bona fide associations, or both, to
29 offer health insurance coverage in the individual market.

30 J. A health care insurer shall provide, without charge, a written
31 certificate of creditable coverage as described in this section for
32 creditable coverage occurring after June 30, 1996 if the individual:

33 1. Ceases to be covered under a policy offered by a health care
34 insurer. An individual who is covered by a policy that is issued on a group
35 basis by a health care insurer, that is terminated or not renewed at the
36 choice of the sponsor of the group and where the replacement of the coverage
37 is without a break in coverage is not entitled to receive the certification
38 prescribed in this paragraph but is instead entitled to receive the
39 certification prescribed in paragraph 2 of this subsection.

40 2. Requests certification from the health care insurer within
41 twenty-four months after the coverage under a health insurance coverage
42 policy offered by a health care insurer ceases.

43 K. The certificate of creditable coverage provided by a health care
44 insurer is a written certification of the period of creditable coverage of
45 the individual under the health insurance coverage offered by the health care

insurer. The department may enforce and monitor the issuance and delivery of the notices and certificates by health care insurers as required by this section, section 20-1380, the health insurance portability and accountability act of 1996 (P.L. 104-191; 110 Stat. 1936) and any federal regulations adopted to implement the health insurance portability and accountability act of 1996.

L. Any health care insurer, accountable health plan or other entity that issues health care coverage in this state, as applicable, shall issue and accept a certificate of creditable coverage of the individual that contains at least the following information:

1. The date that the certificate is issued.

2. The name of the individual or dependent for whom the certificate applies and any other information that is necessary to allow the issuer providing the coverage specified in the certificate to identify the individual, including the individual's identification number under the policy and the name of the policyholder if the certificate is for or includes a dependent.

3. The name, address and telephone number of the issuer providing the certificate.

4. The telephone number to call for further information regarding the certificate.

5. One of the following:

(a) A statement that the individual has at least eighteen months of creditable coverage. For purposes of this subdivision, eighteen months means five hundred forty-six days.

(b) Both the date that the individual first sought coverage, as evidenced by a substantially complete application, and the date that creditable coverage began.

6. The date creditable coverage ended, unless the certificate indicates that creditable coverage is continuing from the date of the certificate.

7. The consumer assistance telephone number for the department.

8. The following statement in at least fourteen point type:

Important Notice!

Keep this certificate with your important personal records to protect your rights under the health insurance portability and accountability act of 1996 ("HIPAA"). This certificate is proof of your prior health insurance coverage. You may need to show this certificate to have a guaranteed right to buy new health insurance ("Guaranteed issue"). This certificate may also help you avoid waiting periods or exclusions for preexisting conditions. Under HIPAA, these rights are guaranteed only for a very short time period. After your group coverage ends, you must apply for new coverage within 63 days to be protected by

1 HIPAA. If you have questions, call the Arizona department of
2 insurance.

3 M. A health care insurer has satisfied the certification requirement
4 under this section if the insurer offering the health benefits plan provides
5 the certificate of creditable coverage in accordance with this section within
6 thirty days after the event that triggered the issuance of the certificate.

7 N. Periods of creditable coverage for an individual are established
8 by the presentation of the certificate described in this section and section
9 20-2310. In addition to the written certificate of creditable coverage as
10 described in this section, individuals may establish creditable coverage
11 through the presentation of documents or other means. In order to make a
12 determination that is based on the relevant facts and circumstances of the
13 amount of creditable coverage that an individual has, a health care insurer
14 shall take into account all information that the insurer obtains or that is
15 presented to the insurer on behalf of the individual.

16 O. A health care insurer shall calculate creditable coverage according
17 to the following rules:

18 1. The health care insurer shall allow an individual credit for each
19 day the individual was covered by creditable coverage.

20 2. The health care insurer shall not count a period of creditable
21 coverage for an individual enrolled under any form of health insurance
22 coverage if after the period of coverage and before the enrollment date there
23 were sixty-three consecutive days during which the individual was not covered
24 by any creditable coverage.

25 3. The health care insurer shall not include any period that an
26 individual is in a waiting period or an affiliation period for any health
27 coverage or is awaiting action by a health care insurer on an application for
28 the issuance of health insurance coverage when the health care insurer
29 determines the continuous period pursuant to paragraph 1 of this subsection.

30 4. The health care insurer shall not include any period that an
31 individual is waiting for approval of an application for health care
32 coverage, provided the individual submitted an application to the health care
33 insurer for health care coverage within sixty-three consecutive days after
34 the individual's most recent creditable coverage.

35 5. The health care insurer shall not count a period of creditable
36 coverage with respect to enrollment of an individual, if, after the most
37 recent period of creditable coverage and before the enrollment date,
38 sixty-three consecutive days lapse during all of which the individual was not
39 covered under any creditable coverage. The health care insurer shall not
40 include in the determination of the period of continuous coverage described
41 in this section any period that an individual is in a waiting period for
42 health insurance coverage offered by a health care insurer, is in a waiting
43 period for benefits under a health benefits plan offered by an accountable
44 health plan or is in an affiliation period.

1 6. In determining the extent to which an individual has satisfied any
2 portion of any applicable preexisting condition period the health care
3 insurer shall count a period of creditable coverage without regard to the
4 specific benefits covered during that period.

5 P. An individual is an eligible individual if, on the date the
6 individual seeks coverage pursuant to this section, the individual has an
7 aggregate period of creditable coverage as defined and calculated pursuant
8 to this section of at least eighteen months and all of the following apply:

9 1. The most recent creditable coverage for the individual was under
10 a plan offered by:

11 (a) An employee welfare benefit plan that provides medical care to
12 employees or the employees' dependents directly or through insurance,
13 reimbursement or otherwise pursuant to the employee retirement income
14 security act of 1974 (P.L. 93-406; 88 Stat. 829; 29 United States Code
15 sections 1001 through 1461).

16 (b) A church plan as defined in the employee retirement income
17 security act of 1974.

18 (c) A governmental plan as defined in the employee retirement income
19 security act of 1974, including a plan established or maintained for its
20 employees by the government of the United States or by any agency or
21 instrumentality of the United States.

22 (d) An accountable health plan as defined in section 20-2301.

23 (e) A plan made available to a person defined as eligible pursuant to
24 section 36-2901, paragraph 6, subdivision (d) or a dependent pursuant to
25 section 36-2901, paragraph 6, subdivision (e) of a person eligible under
26 section 36-2901, paragraph 6, subdivision (d), provided the person was most
27 recently employed by a business in this state with at least two but not more
28 than fifty full-time employees.

29 2. The individual is not eligible for coverage under:

30 (a) An employee welfare benefit plan that provides medical care to
31 employees or the employees' dependents directly or through insurance,
32 reimbursement or otherwise pursuant to the employee retirement income
33 security act of 1974.

34 (b) A health benefits plan issued by an accountable health plan as
35 defined in section 20-2301.

36 (c) Part A or part B of title XVIII of the social security act.

37 (d) Title 36, chapter 29, except coverage to persons defined as
38 eligible under section 36-2901, paragraph 6, subdivisions (b), (c), (d) and
39 (e), or any other plan established under title XIX of the social security
40 act, and the individual does not have other health insurance coverage.

41 3. The most recent coverage within the coverage period was not
42 terminated based on any factor described in section 20-2309, subsection B,
43 paragraph 1 or 2 relating to nonpayment of premiums or fraud.

44 4. The individual was offered and elected the option of continuation
45 coverage under a COBRA continuation provision pursuant to the consolidated

1 omnibus budget reconciliation act of 1985 (P.L. 99-272; 100 Stat. 82) or a
2 similar state program.

3 5. The individual exhausted the continuation coverage pursuant to the
4 consolidated omnibus budget reconciliation act of 1985.

5 Q. NOTWITHSTANDING SUBSECTION P OF THIS SECTION, AN INDIVIDUAL IS AN
6 ELIGIBLE INDIVIDUAL IF:

7 1. THE INDIVIDUAL IS AN INDIVIDUAL ENROLLEE IN A HEALTH CARE SERVICES
8 ORGANIZATION THAT IS DOMICILED IN THIS STATE ON THE DATE THAT THE HEALTH CARE
9 SERVICES ORGANIZATION IS DECLARED INSOLVENT, INCLUDING ANY HEALTH CARE
10 SERVICES ORGANIZATION THAT IS NOT AN ACCOUNTABLE HEALTH PLAN AS DEFINED IN
11 SECTION 20-2301.

12 2. THE INDIVIDUAL'S COVERAGE TERMINATES DURING THE DELINQUENCY
13 PROCEEDING, AFTER THE HEALTH CARE SERVICES ORGANIZATION IS DECLARED
14 INSOLVENT.

15 3. THE INDIVIDUAL SATISFIES THE REQUIREMENTS OF AN ELIGIBLE INDIVIDUAL
16 AS PRESCRIBED IN THIS SECTION OTHER THAN THE REQUIRED PERIOD OF CREDITABLE
17 COVERAGE.

18 ~~Q.~~ R. Notwithstanding subsection P of this section, a newborn child,
19 adopted child or child placed for adoption is an eligible individual if the
20 child was timely enrolled and otherwise would have met the definition of an
21 eligible individual as prescribed in this section other than the required
22 period of creditable coverage and the child is not subject to any preexisting
23 condition exclusion or limitation if the child has been continuously covered
24 under health insurance coverage or a health benefits plan offered by an
25 accountable health plan since birth, adoption or placement for adoption.

26 ~~R.~~ S. If a health care insurer imposes a waiting period for coverage
27 of preexisting conditions, within a reasonable period of time after receiving
28 an individual's proof of creditable coverage and not later than the date by
29 which the individual must select an insurance plan, the health care insurer
30 shall give the individual written disclosure of the insurer's determination
31 regarding any preexisting condition exclusion period that applies to that
32 individual. The disclosure shall include all of the following information:

33 1. The period of creditable coverage allowed toward the waiting period
34 for coverage of preexisting conditions.

35 2. The basis for the insurer's determination and the source and
36 substance of any information on which the insurer has relied.

37 3. A statement of any right the individual may have to present
38 additional evidence of creditable coverage and to appeal the insurer's
39 determination, including an explanation of any procedures for submission and
40 appeal.

41 ~~S.~~ T. This section and section 20-1380 apply to all health insurance
42 coverage that is offered, sold, issued, renewed, in effect or operated in the
43 individual market after June 30, 1997, regardless of when a period of
44 creditable coverage occurs.

1 ~~T~~. U. For the purposes of this section and section 20-1380 as
2 applicable:

3 1. "Affiliation period" has the same meaning prescribed in section
4 20-2301.

5 2. "Bona fide association" means, for health care coverage issued by
6 a health care insurer, an association that meets the requirements of section
7 20-2324.

8 3. "Creditable coverage" means coverage solely for an individual,
9 other than limited benefits coverage, under any of the following:

10 (a) An employee welfare benefit plan that provides medical care to
11 employees or the employees' dependents directly or through insurance,
12 reimbursement or otherwise pursuant to the employee retirement income
13 security act of 1974.

14 (b) A church plan as defined in the employee retirement income
15 security act of 1974.

16 (c) A health benefits plan issued by an accountable health plan as
17 defined in section 20-2301.

18 (d) Part A or part B of title XVIII of the social security act.

19 (e) Title XIX of the social security act, other than coverage
20 consisting solely of benefits under section 1928.

21 (f) Title 10, chapter 55 of the United States Code.

22 (g) A medical care program of the Indian health service or of a tribal
23 organization.

24 (h) A health benefits risk pool operated by any state of the United
25 States.

26 (i) A health plan offered pursuant to title 5, chapter 89 of the
27 United States Code.

28 (j) A public health plan as defined by federal law.

29 (k) A health benefit plan pursuant to section 5(e) of the peace corps
30 act (P.L. 87-293; 75 Stat. 612; 22 United States Code sections 2501 through
31 2523).

32 (l) A policy or contract, including short-term limited duration
33 insurance, issued on an individual basis by an insurer, a health care
34 services organization, a hospital service corporation, a medical service
35 corporation or a hospital, medical, dental and optometric service corporation
36 or made available to persons defined as eligible under section 36-2901,
37 paragraph 6, subdivision (b), (c), (d) or (e).

38 (m) A policy or contract issued by a health care insurer or an
39 accountable health plan to a member of a bona fide association.

40 4. "DELINQUENCY PROCEEDING" HAS THE SAME MEANING PRESCRIBED IN SECTION
41 20-611.

42 ~~4~~. 5. "Different policy forms" means variations between policy forms
43 offered by a health care insurer, including policy forms that have different
44 cost sharing arrangements or different riders.

1 ~~5.~~ 6. "Genetic information" means information about genes, gene
2 products and inherited characteristics that may derive from the individual
3 or a family member, including information regarding carrier status and
4 information derived from laboratory tests that identify mutations in specific
5 genes or chromosomes, physical medical examinations, family histories and
6 direct analysis of genes or chromosomes.

7 ~~6.~~ 7. "Health care insurer" means a disability insurer, group
8 disability insurer, blanket disability insurer, health care services
9 organization, hospital service corporation, medical service corporation or
10 a hospital, medical, dental and optometric service corporation.

11 ~~7.~~ 8. "Health status-related factor" means any factor in relation to
12 the health of the individual or a dependent of the individual enrolled or to
13 be enrolled in a health care services organization including:

- 14 (a) Health status.
- 15 (b) Medical condition, including physical and mental illness.
- 16 (c) Claims experience.
- 17 (d) Receipt of health care.
- 18 (e) Medical history.
- 19 (f) Genetic information.
- 20 (g) Evidence of insurability, including conditions arising out of acts
21 of domestic violence as defined in section 20-448.
- 22 (h) The existence of a physical or mental disability.

23 ~~8.~~ 9. "Higher level of coverage" means a policy form for which the
24 actuarial value of the benefits under the health insurance coverage offered
25 by a health care insurer is at least fifteen per cent more than the actuarial
26 value of the health insurance coverage offered by the health care insurer as
27 a lower level of coverage in this state but not more than one hundred twenty
28 per cent of a policy form weighted average.

29 ~~9.~~ 10. "Individual health insurance coverage" means health insurance
30 coverage offered by a health care insurer to individuals in the individual
31 market but does not include limited benefit coverage or short-term limited
32 duration insurance. A health care insurer that offers limited benefit
33 coverage or short-term limited duration insurance to individuals and no other
34 coverage to individuals in the individual market is not a health care insurer
35 that offers health insurance coverage in the individual market.

36 ~~10.~~ 11. "Limited benefit coverage" has the same meaning prescribed in
37 section 20-1137.

38 ~~11.~~ 12. "Lower level of coverage" means a policy form offered by a
39 health care insurer for which the actuarial value of the benefits under the
40 health insurance coverage is at least eighty-five per cent but not more than
41 one hundred per cent of the policy form weighted average.

42 ~~12.~~ 13. "Network plan" means a health care plan provided by a health
43 care insurer under which the financing and delivery of health care services
44 are provided, in whole or in part, through a defined set of providers under
45 contract with the health care insurer in accordance with the determination

1 made by the director pursuant to section 20-1053 regarding the geographic or
2 service area in which a health care insurer may operate.

3 ~~13.~~ 14. "Policy form weighted average" means the average actuarial
4 value of the benefits provided by a health care insurer that issues health
5 coverage in this state that is provided by either the health care insurer or,
6 if the data are available, by all health care insurers that issue health
7 coverage in this state in the individual health coverage market during the
8 previous calendar year, except coverage pursuant to this section, weighted
9 by the enrollment for all coverage forms.

10 ~~14.~~ 15. "Preexisting condition" means a condition, regardless of the
11 cause of the condition, for which medical advice, diagnosis, care, or
12 treatment was recommended or received within not more than six months before
13 the date of the enrollment of the individual under the health insurance
14 policy or other contract that provides health coverage benefits. A genetic
15 condition is not a preexisting condition in the absence of a diagnosis of the
16 condition related to the genetic information and shall not result in a
17 preexisting condition limitation or preexisting condition exclusion.

18 ~~15.~~ 16. "Preexisting condition limitation" or "preexisting condition
19 exclusion" means a limitation or exclusion of benefits for a preexisting
20 condition under a health insurance policy or other contract that provides
21 health coverage benefits.

22 ~~16.~~ 17. "Short-term limited duration insurance" means health insurance
23 coverage that is offered by a health care insurer, that remains in effect for
24 no more than one hundred eighty-five days, that cannot be renewed or
25 otherwise continued for more than one hundred eighty days and that is not
26 intended or marketed as health insurance coverage subject to guaranteed
27 issuance or guaranteed renewal provisions of the laws of this state but that
28 is creditable coverage within the meaning of this section and section
29 20-2301.

30 Sec. 7. Repeal

31 Section 20-1379, Arizona Revised Statutes, as amended by Laws 2001,
32 chapter 328, section 7, is repealed.

33 Sec. 8. Repeal

34 Section 28-6991, Arizona Revised Statutes, as amended by Laws 2001,
35 chapter 238, section 4, is repealed.

36 Sec. 9. Section 32-1551, Arizona Revised Statutes, as amended by Laws
37 2000, chapter 113, section 98, is amended to read:

38 32-1551. Disciplinary action; investigatory powers; hearing;
39 judicial review

40 A. The board on its own motion may investigate any information that
41 appears to show medical incompetency, grounds for probation or suspension,
42 revocation or refusal to issue a license, certificate or registration for
43 unprofessional conduct. A person who is licensed, certified or registered
44 under this chapter and a health care institution as defined in section 36-401
45 shall, and any other person may, report to the board any information the

1 person may have which THAT appears to show medical incompetency, grounds for
2 probation or suspension, revocation or refusal to issue a license,
3 certificate or registration. Any person who reports or provides information
4 to the board in good faith is not subject to an action for civil damages as
5 a result. The board shall report a health care institution that fails to
6 report as required by this section to the institution's licensing agency.

7 B. If the board finds that the information is or may be true, it may
8 request an informal interview with the subject of the information. If that
9 person refuses the board's request or if that person accepts the board's
10 request and the interview indicates suspension or revocation might be in
11 order, the board shall issue a complaint and a formal hearing shall be held
12 pursuant to title 41, chapter 6, article 10. If, at the informal interview,
13 the board finds that the information provided pursuant to subsection A of
14 this section is true but not of sufficient seriousness to merit suspension
15 or revocation of the license, certificate or registration, it may take the
16 following action:

17 1. Issue a decree of censure. A decree of censure is an official
18 action against the physician's license and may include a requirement for
19 restitution of fees to a patient resulting from violations of this chapter
20 or rules adopted under this chapter.

21 2. Fix a period and terms of probation necessary to protect the public
22 and to rehabilitate the person.

23 3. File a letter of concern.

24 4. File a letter of reprimand.

25 C. If a person fails to comply with the probation imposed under
26 subsection B, paragraph 2 of this section the board shall file a complaint
27 and hold a formal hearing pursuant to title 41, chapter 6, article 10.

28 D. If, in the opinion of the board, it appears the charge is of such
29 magnitude as to warrant suspension or revocation of a person's license,
30 certificate or registration, the board shall issue to the person a notice of
31 a complaint and hearing fully setting forth the conduct or inability
32 concerned and setting the time and place for a hearing to be held before the
33 board pursuant to title 41, chapter 6, article 10. A notice of a complaint
34 and hearing is fully effective by mailing a true copy of the notice of
35 complaint and hearing by certified mail addressed to the person's last known
36 address of record in the board's files. Notice of the complaint and hearing
37 is complete at the time of its deposit in the mail. The hearing shall not be
38 held less than thirty days from notice of the complaint.

39 E. A person who is notified pursuant to subsection D of this section
40 shall file with the board an answer to the charges in the complaint in
41 writing, verified under oath and filed within twenty days after notice of the
42 complaint and hearing.

43 F. The board may issue subpoenas for witnesses it deems necessary and
44 for witnesses the person requests. A person who refuses to obey a subpoena
45 shall be certified by the board to the superior court in the county in which

1 service was made, and proceedings shall be had as for contempt. The board
2 may issue a notice of a complaint and hearing pursuant to subsection D of
3 this section for witnesses who are licensed, certified or registered pursuant
4 to this chapter.

5 G. Service of subpoenas for witnesses shall be as provided by law for
6 the service of subpoenas generally.

7 H. If the board finds, after a hearing, that sufficient grounds exist
8 to merit probation or suspension, revocation or denial of a license,
9 certificate or registration, the board shall take the appropriate action.

10 I. Copies of the written transcript and all other evidence submitted
11 ~~shall be~~ ARE available at the person's expense to any person who appeals a
12 decision of the board and without charge to the court in which an appeal is
13 taken.

14 J. Except as provided in section 41-1092.08, subsection H, an appeal
15 to the superior court in Maricopa county may be taken from final decisions
16 of the board pursuant to title 12, chapter 7, article 6.

17 K. THE BOARD MAY APPOINT AN INVESTIGATOR TO PROVIDE INFORMATION TO THE
18 BOARD CONCERNING AN ALLEGED VIOLATION OF THIS CHAPTER. IF THE BOARD USES A
19 BOARD MEMBER TO CONDUCT AN INVESTIGATION OR TO WORK WITH AN INVESTIGATOR,
20 THAT BOARD MEMBER SHALL NOT PARTICIPATE IN THE ADJUDICATION OF THE CASE.

21 L. THE BOARD AND ITS INVESTIGATORS MAY SUBPOENA ANY MEDICAL RECORD
22 THAT IS RELEVANT TO AN INVESTIGATION CONDUCTED PURSUANT TO THIS SECTION.

23 Sec. 10. Repeal

24 Section 32-1551, Arizona Revised Statutes, as amended by Laws 2001,
25 chapter 289, section 7, is repealed.

26 Sec. 11. Section 33-2132, Arizona Revised Statutes, as added by Laws
27 2000, chapter 289, section 1 and as transferred and renumbered by Laws 2001,
28 chapter 221, section 3, is amended to read:

29 33-2132. Rules

30 A. A landlord shall adopt written rules, HOWEVER DESCRIBED, concerning
31 the tenant's use and occupancy of the premises. Rules are enforceable
32 against the tenant only if:

33 1. They apply to all tenants on the premises in a fair manner.

34 2. They are sufficiently explicit in prohibition, direction or
35 limitation of the tenant's conduct to fairly inform the tenant of what the
36 tenant must or must not do to comply.

37 3. They are not for the purpose of evading the obligations of the
38 landlord.

39 4. The prospective tenant has a copy of the current rules before
40 entering into the rental agreement.

41 ~~owner~~ B. If any recreational vehicle park owner THE OWNER OR AGENT adds,
42 changes, deletes or amends any rule, the owner OR AGENT shall provide notice
43 in writing of all additions, changes, deletions or amendments to all tenants
44 thirty days before they are BECOME effective. Any rule or condition of
45 occupancy that is unfair and deceptive or that does not conform to the

1 requirements of this chapter is unenforceable. A rule adopted after the
2 tenant enters into the rental agreement is enforceable against the tenant
3 only if the rule does not substantially modify the rental agreement. For
4 purposes of this subsection, notice shall be by personal delivery or mailed
5 by first class or certified mail.

6 C. A landlord shall not:

7 1. Deny rental unless the prospective resident cannot conform to park
8 rules. A LANDLORD IS NOT REQUIRED TO ENTER INTO AN INITIAL RECREATIONAL
9 VEHICLE SPACE AGREEMENT IN EXCESS OF ONE HUNDRED SEVENTY-NINE DAYS.

10 2. Charge an exit fee to a tenant whose rental agreement has expired.

11 3. REQUIRE A PERSON AS A PRECONDITION TO RENTING, LEASING OR OTHERWISE
12 OCCUPYING A RECREATIONAL VEHICLE SPACE IN A RECREATIONAL VEHICLE OR MOBILE
13 HOME PARK TO PAY AN ENTRANCE OR EXIT FEE, UNLESS THE FEE IS FOR SERVICES THAT
14 ARE ACTUALLY RENDERED OR PURSUANT TO A WRITTEN AGREEMENT.

15 ~~3.~~ 4. Deny any resident of a recreational vehicle park the right to
16 sell the recreational vehicle at a price of the resident's own choosing
17 during the term of the tenant's rental agreement, but the landlord may
18 reserve the right to approve the purchaser of the recreational vehicle as a
19 tenant. This permission shall not be unreasonably withheld, except that the
20 landlord may require, in order to preserve or upgrade the quality of the
21 recreational vehicle park, that any recreational vehicle not compatible with
22 the other recreational vehicles in the park, in a rundown condition or in
23 disrepair be removed from the park within sixty days.

24 ~~4.~~ 5. Require ~~a~~ AN EXISTING tenant to furnish permanent improvements
25 that cannot be removed without damage to the improvements or to the
26 recreational vehicle space by a tenant at the expiration of the rental
27 agreement.

28 ~~5.~~ 6. Prohibit a tenant from advertising the sale or exchange of the
29 tenant's recreational vehicle. A tenant may display a sign on a central
30 posting board in the park that is reasonably accessible to the public seven
31 days a week during daylight hours.

32 D. If a tenant dies, any surviving joint tenant or cotenant continues
33 as tenant with the same rights, privileges and liabilities as if the
34 surviving tenant were the original tenant.

35 E. A NEW TENANT WHO BRINGS A RECREATIONAL VEHICLE INTO A PARK OR WHO
36 PURCHASES AN EXISTING RECREATIONAL VEHICLE OR MOBILE HOME SHALL COMPLY WITH
37 ALL RULES THEN IN EFFECT.

38 F. A RESIDENT MAY HAVE ONE PERSON WHO IS AT LEAST EIGHTEEN YEARS OF
39 AGE OCCUPY THE RECREATIONAL VEHICLE ON A TEMPORARY BASIS TO PROVIDE NECESSARY
40 LIVE-IN HEALTH CARE TO THE RESIDENT PURSUANT TO A WRITTEN TREATMENT PLAN
41 PREPARED BY THE RESIDENT'S PHYSICIAN. THE LANDLORD MAY REQUIRE THE RESIDENT
42 TO PROVIDE A WRITTEN RENEWAL OF THE PHYSICIAN'S TREATMENT PLAN EVERY SIX
43 MONTHS. THE LANDLORD SHALL NOT CHARGE A FEE FOR THE PERSON RENDERING CARE.
44 THE PERSON RENDERING CARE HAS NO RIGHTS OF TENANCY. ANY AGREEMENT BETWEEN
45 THE RESIDENT AND THE PERSON RENDERING CARE DOES NOT MODIFY THE RENTAL

1 AGREEMENT BETWEEN THE LANDLORD AND TENANT. THE PERSON RENDERING CARE SHALL
2 COMPLY WITH THE RULES OF THE PARK.

3 Sec. 12. Repeal

4 Section 33-2132, Arizona Revised Statutes, as amended by Laws 2001,
5 chapter 221, section 10, is repealed.

6 Sec. 13. Section 36-2903.03, Arizona Revised Statutes, as amended by
7 Laws 2001, first special session, chapter 1, section 2, is amended to read:

8 36-2903.03. United States citizenship and qualified alien
9 requirements for eligibility; definition

10 A. A person who is applying for eligibility under this chapter shall
11 provide verification of United States citizenship or documented verification
12 of qualified alien status.

13 B. A qualified alien may apply for eligibility pursuant to section
14 36-2901, paragraph 6, subdivision (a) and, if otherwise eligible for title
15 XIX, may receive all services pursuant to section 36-2907 if the qualified
16 alien meets at least one of the following requirements:

17 1. Is designated as one of the exception groups under 8 United States
18 Code section 1613(b).

19 2. Has been a qualified alien for at least five years.

20 3. Has been continuously present in the United States since August 21,
21 1996.

22 C. Notwithstanding any other law, persons who were residing in the
23 United States under color of law on or before August 21, 1996, and who were
24 receiving services under this article based on eligibility criteria
25 established under the supplemental security income program, may apply for
26 state funded services and, if otherwise eligible for supplemental security
27 income-medical assistance only coverage except for United States citizenship
28 or qualified alien requirements, may be enrolled with the system and receive
29 all services pursuant to section 36-2907.

30 D. A person who is a qualified alien who does not meet the
31 requirements of subsection B of this section or who is a noncitizen who does
32 not claim and provide verification of qualified alien status may apply for
33 title XIX eligibility under section 36-2901, paragraph 6, subdivision (a)
34 and, if otherwise eligible for title XIX, may receive only emergency services
35 pursuant to section 1903(v) of the social security act OR STATE FUNDED
36 EMERGENCY SERVICES PURSUANT TO SECTION 36-2901.06.

37 E. In determining the eligibility for all qualified aliens pursuant
38 to this chapter, the income and resources of any person who executed an
39 affidavit of support pursuant to section 213A of the immigration and
40 nationality act on behalf of the qualified alien and the income and resources
41 of the spouse, if any, of the sponsoring individual shall be counted at the
42 time of application and for the redetermination of eligibility for the
43 duration of the attribution period as specified in federal law.

44 F. A person who is a qualified alien or a noncitizen and who is not
45 eligible for title XIX may apply for the state emergency services program as

1 prescribed in section 36-2901.06 and, if eligible, may receive only emergency
2 services.

3 G. For purposes of this section, "qualified alien" means an individual
4 who is one of the following:

5 1. Defined as a qualified alien under 8 United States Code section
6 1641.

7 2. Defined as a qualified alien by the attorney general of the United
8 States under the authority of Public Law 104-208, section 501.

9 3. An Indian described in 8 United States Code section 1612(b)(2)(e).

10 Sec. 14. Repeal

11 Section 36-2903.03, Arizona Revised Statutes, as amended by Laws 2001,
12 second special session, chapter 8, section 2, is repealed.

13 Sec. 15. Section 38-885, Arizona Revised Statutes, as amended by Laws
14 1997, chapter 197, section 2, is amended to read:

15 38-885. Normal retirement; conditions and pension

16 A. A member may retire if the member:

17 1. Files a written application for normal retirement with the plan in
18 the form prescribed by the plan.

19 2. Ceases to be an employee before the date of retirement.

20 3. Meets one of the age and service requirements for normal retirement
21 prescribed in subsection B.

22 B. A member is eligible for a normal retirement pension if the member
23 satisfies one of the following requirements:

24 1. Is sixty-two years or older and has ten or more years of service.

25 2. Has ~~twenty-five~~ TWENTY or more years of service OR IN THE CASE OF
26 A DISPATCHER, TWENTY-FIVE YEARS.

27 3. The sum of the member's age and years of credited service equals
28 at least eighty.

29 C. ~~On normal retirement as provided in this section~~ A MEMBER WHO MEETS
30 THE REQUIREMENTS FOR A NORMAL RETIREMENT PENSION AND WHO HAS TWENTY YEARS OR
31 TWENTY-FIVE YEARS, AS APPLICABLE, OF CREDITED SERVICE IS ENTITLED TO RECEIVE
32 A PENSION THAT EQUALS FIFTY PER CENT OF THE MEMBER'S AVERAGE MONTHLY SALARY,
33 EXCEPT THAT:

34 1. IF THE MEMBER RETIRES WITH MORE THAN TWENTY YEARS OF CREDITED
35 SERVICE THE FOREGOING AMOUNT SHALL BE INCREASED BY A MONTHLY AMOUNT EQUAL TO
36 TWO PER CENT OF THE MEMBER'S AVERAGE MONTHLY SALARY MULTIPLIED BY THE NUMBER
37 OF THE MEMBER'S YEARS OF CREDITED SERVICE IN EXCESS OF TWENTY YEARS, WITH PRO
38 RATA INCREASE FOR ANY FRACTIONAL YEARS, EXCEPT THAT IF A MEMBER RETIRES WITH
39 TWENTY-FIVE OR MORE YEARS OF CREDITED SERVICE THE FOREGOING AMOUNT SHALL BE
40 INCREASED BY A MONTHLY AMOUNT EQUAL TO TWO AND ONE-HALF PER CENT OF THE
41 MEMBER'S AVERAGE MONTHLY SALARY MULTIPLIED BY THE NUMBER OF THE MEMBER'S
42 YEARS OF CREDITED SERVICE IN EXCESS OF TWENTY YEARS, WITH PRO RATA INCREASE
43 FOR ANY FRACTIONAL YEAR.

1 2. IF THE MEMBER RETIRES PURSUANT TO SUBSECTION B BUT HAS LESS THAN
2 TWENTY YEARS OF CREDITED SERVICE, THE member is entitled to receive a pension
3 equal to the product of:

4 1. (a) Two and one-half per cent of the member's average monthly
5 salary.

6 2. (b) The member's credited service ~~to a maximum of thirty years.~~

7 D. In no case shall the amount of a member's pension exceed
8 ~~seventy-five~~ EIGHTY per cent of the member's average monthly salary. Such
9 limitation does not preclude cost-of-living increases granted by the
10 legislature.

11 Sec. 16. Repeal

12 Section 38-885, Arizona Revised Statutes, as amended by Laws 2001,
13 chapter 380, section 12, is repealed.

14 Sec. 17. Section 41-821, Arizona Revised Statutes, as amended by Laws
15 1997, chapter 58, section 21, is amended to read:

16 41-821. Arizona historical society; powers; officers; duties of
17 board of directors

18 A. An Arizona historical society is established.

19 B. Subject to limitations imposed by law, the society may purchase,
20 receive, hold, lease and sell property, real and personal, for the benefit
21 of the state and use of the society.

22 C. The society shall have a president, a treasurer, a board of
23 directors and other officers, who shall be elected by the members of the
24 society at times and by methods the bylaws of the society prescribe. The
25 board of directors may designate from among its members an executive
26 committee with authority to act in place of the board of directors and in
27 accordance with directions the board of directors may give when the board of
28 directors is not in session.

29 D. The president shall preside at meetings of the society and of the
30 board of directors.

31 E. The treasurer shall have custody of the monies of the society,
32 other than legislative appropriations. The treasurer shall hold the monies
33 of the society deposited in trust for the society's use and for the benefit
34 of the state and shall disburse them only as prescribed by law and the bylaws
35 of the society. The treasurer shall submit to the joint legislative budget
36 committee a written report detailing all expenditures of nonappropriated
37 funds for the society at the beginning of each quarter.

38 F. The board of directors shall hold in trust for the state and
39 administer for the benefit of the state and use of the society all property
40 acquired by the society.

41 G. All expenditures of legislative appropriations to the society shall
42 be made upon ON claims duly itemized, verified and approved by the board, or
43 ~~by a committee of the board authorized by the board, which~~ EXECUTIVE
44 DIRECTOR. THE EXECUTIVE DIRECTOR shall be presented to PRESENT and filed
45 in FILE CLAIMS FOR PAYMENT with the director of the department of

1 administration. who THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION shall
2 draw his THE warrant therefor on the state treasurer.

3 H. The board of directors shall annually designate one or more
4 historical organizations within each county of the state which shall be
5 incorporated as nonprofit organizations and which are deemed to have a
6 functioning program of historical value based on criteria established by the
7 board of directors. The names of such historical organizations shall be
8 certified to the president of the senate and the speaker of the house of
9 representatives no later than ten days after the beginning of each regular
10 session of the legislature. The board of directors shall report annually to
11 the committee of reference, as defined by section 41-2952. The board of
12 directors may organize chapters made up of groups of its members who have a
13 common interest in a geographical area of the state or a common interest in
14 a field of history, may provide for the governance of such THESE chapters,
15 and may grant to any such chapter the power to exercise such authority of the
16 society as the board of directors may determine.

17 I. The board of directors may, subject to legislative appropriation,
18 contract with certified historical organizations for services to be performed
19 for the benefit of this state. Such THE contracts shall be prepared by the
20 Arizona historical society. The board of directors shall annually review the
21 contracts to insure fulfillment of their provisions.

22 J. The board of directors may employ an executive director and may
23 employ or authorize the employment of other employees it considers
24 appropriate to carry out the functions of the society. The executive
25 director and all other employees shall have duties and exercise authority as
26 may be prescribed by the board of directors or by the executive director
27 acting under the direction of the board of directors.

28 Sec. 18. Repeal

29 Section 41-821, Arizona Revised Statutes, as amended by Laws 2001,
30 chapter 238, section 11, is repealed.

31 Sec. 19. Section 41-1758.01, Arizona Revised Statutes, as amended by
32 Laws 2001, chapter 350, section 6, is amended to read:

33 41-1758.01. Fingerprinting division; duties

34 The fingerprinting division is established in the department of public
35 safety and shall:

36 1. Conduct fingerprint background checks for persons and applicants
37 who are seeking employment with licensees, contract providers and state
38 agencies that require fingerprint background checks pursuant to sections
39 8-322, 15-534, 15-1330, 36-411, 36-425.03, 36-594.01, 36-882, 36-883.02,
40 36-897.01, 36-897.03, 36-3008, 41-1964, 41-1967.01 and 41-2814, section
41 46-141, subsection A and section 46-321.

42 2. Issue fingerprint clearance cards.

43 3. Inform in writing each person who submits fingerprints for a
44 fingerprint background check of the person's right to petition the board of
45 fingerprinting for a good cause exception pursuant to section 41-1758.03.

4. Administer and enforce this article.

Sec. 20. Repeal

Section 41-1758.01, Arizona Revised Statutes, as amended by Laws 2001, chapter 111, section 4, is repealed.

Sec. 21. Section 41-1967, Arizona Revised Statutes, as amended by Laws 2001, chapter 350, section 10, is amended to read:

41-1967. Child care resource and referral system

A. The department shall establish and maintain a statewide child care resource and referral system, INCLUDING A CHILD CARE HOME PROVIDER REGISTRY, through community-based organizations to:

1. Provide families with:

(a) Information on all types of child care.

(b) Referrals to child care providers and programs.

(c) Information about child care resources and services.

(d) Information about choosing child care.

(e) INFORMATION ABOUT REGISTERED CHILD CARE HOME PROVIDERS.

2. Assist child care providers and programs with:

(a) Information on training related to child care issues.

(b) Technical assistance that relates to initiating or providing child care services.

(c) Parent referrals.

(d) BECOMING REGISTERED AS A CHILD CARE HOME PROVIDER.

3. Coordinate with the community to:

(a) Develop statistics of the demand for and supply of child care.

(b) Maintain ongoing relationships with all local groups interested in child care.

B. The child care resource and referral system shall:

1. Identify all available child care providers and programs through coordination with public and private agencies.

2. Collect in a uniform method provider information for the referral data-base DATABASE that includes:

(a) The type of program.

(b) The hours of service.

(c) The ages of children served.

(d) Fees for service.

(e) THE LICENSURE, CERTIFICATION AND REGISTRATION STATUS OF PROVIDERS.

(f) Other significant provider and program information.

3. Establish and maintain a referral process that responds to parental need for information. The child care resource and referral system shall make referrals to child care providers and programs that:

(a) Promote parental choice and meet the needs of families.

(b) Are included in the resource and referral data-base DATABASE.

4. Collect in a uniform method family information for the referral data-base DATABASE that includes the:

(a) Number of calls and contacts.

1 (b) Ages of children in need of care.
2 (c) Days and times of care requested.
3 (d) Type of care requested.
4 (e) Special needs and requests made by the family.
5 (f) Reason that the care is needed.
6 5. Provide outreach services that include:
7 (a) Efforts to reach parents and providers in local communities.
8 (b) Involvement in the local communities.
9 (c) Publication of services through all available media sources,
10 agencies and other appropriate channels.
11 (d) PUBLIC AWARENESS INFORMATION TO PARENTS AND PROVIDERS ABOUT THE
12 CHILD CARE HOME PROVIDER REGISTRY AND THE BENEFITS OF USING THE REGISTRY OR
13 BECOMING REGISTERED.
14 6. Provide technical assistance to existing and prospective child care
15 providers and programs that include:
16 (a) Information on all aspects of initiating new child care services
17 including child care regulations, zoning, program and budget development and
18 assistance in finding information from other sources.
19 (b) Educational information and resources that assist existing child
20 care providers and programs to better serve the children and parents in their
21 community.
22 (c) Local coordination of existing child care and child related
23 services.
24 7. ESTABLISH AND MAINTAIN A CHILD CARE HOME PROVIDER REGISTRY THAT
25 INCLUDES:
26 (a) CHILD CARE HOME PROVIDERS THAT ARE REGISTERED PURSUANT TO SECTION
27 41-1967.01.
28 (b) A COMPLAINT TRACKING SYSTEM THAT CONTAINS WRITTEN COMPLAINTS
29 CONCERNING PROVIDERS AND WRITTEN PROVIDER RESPONSES. THE COMPLAINTS AND
30 RESPONSES ARE AVAILABLE TO THE PUBLIC.
31 (c) A SYSTEM FOR NOTIFYING A PROVIDER THAT IS EXCLUDED OR REMOVED FROM
32 THE REGISTRY THAT THE PROVIDER MAY APPEAL DIRECTLY TO THE ENTITY MAKING THE
33 DETERMINATION RESULTING IN THE EXCLUSION OR REMOVAL.
34 (d) INFORMATION PROVIDED BY REGISTERED PROVIDERS RELATING TO THE
35 SERVICES PROVIDED AND CHILD CARE ENVIRONMENT.
36 C. The following child care providers are eligible to be considered
37 for inclusion in the child care resource and referral data base DATABASE,
38 unless barred by other provisions of law:
39 1. Child care providers licensed, OR certified or approved by a
40 government agency which is authorized by law to license, certify or approve
41 child care providers.
42 2. ~~Child care providers not licensed, certified or approved by a~~
43 ~~government agency.~~ CHILD CARE HOME PROVIDERS THAT ARE REGISTERED PURSUANT
44 TO SECTION 41-1967.01. These providers shall submit and amend when necessary
45 sworn, written statements to the department or its designees, on forms

1 approved by the department, attesting that the provider is not subject to
2 exclusion or removal from the child care resource and referral data base
3 DATABASE under any of the grounds specified in subsection E of this section.

4 D. Child care providers identified in subsection C, paragraph 1 of
5 this section may be excluded or removed from the child care resource and
6 referral data base DATABASE whenever the provider's license, OR
7 certification or approval is revoked, terminated or suspended, or when a
8 child care facility is closed for cause.

9 ~~E. Child care providers identified in subsection C, paragraph 2 of~~
10 ~~this section may be excluded or removed from the child care resource and~~
11 ~~referral data base when:~~

12 ~~1. The provider is not qualified to furnish child care services~~
13 ~~without a license, certification or alternative state agency approval.~~

14 E. CHILD CARE HOME PROVIDERS IDENTIFIED IN SUBSECTION C, PARAGRAPH 2
15 OF THIS SECTION MAY BE EXCLUDED OR REMOVED FROM THE CHILD CARE HOME PROVIDER
16 REGISTRY AND THE CHILD CARE RESOURCE AND REFERRAL DATABASE IF:

17 1. THE PROVIDER FAILS TO OBTAIN A CLASS ONE OR CLASS TWO FINGERPRINT
18 CLEARANCE CARD OR THE PROVIDER'S CLASS TWO FINGERPRINT CLEARANCE CARD IS
19 REVOKED OR SUSPENDED.

20 2. The provider has been denied a license to operate a facility for
21 the care of children or had a license or certificate to operate such a
22 facility revoked OR HAS BEEN REMOVED FOR CAUSE FROM PARTICIPATION IN THE
23 CHILD AND ADULT FOOD PROGRAM in this state or in any other state or
24 jurisdiction.

25 3. The provider, the provider's employees or any person eighteen years
26 of age or older who resides in the provider's child care facility has been
27 convicted of or is awaiting trial on any of the criminal offenses pursuant
28 to section 41-1758.03, subsections F and G in this state or similar criminal
29 offenses in any other state or jurisdiction.

30 4. The provider, the provider's employees or any person who resides
31 in the provider's child care facility has been the subject of a child abuse
32 or neglect AN investigation WHERE A REPORT OF CHILD ABUSE OR NEGLECT which:

33 (a) has been substantiated by a child protective services agency or
34 a law enforcement agency in this state or in any other state or jurisdiction.

35 (b) ~~Would disqualify the provider from being certified pursuant to~~
36 ~~section 46-807.~~

37 5. THE PROVIDER FAILS TO MAINTAIN CURRENT TRAINING AND CERTIFICATION
38 IN FIRST AID AND INFANT AND CHILD CARDIOPULMONARY RESUSCITATION.

39 6. THE PROVIDER FAILS TO ENCLOSE A POOL PURSUANT TO SECTION 36-1681,
40 SUBSECTIONS A, B AND C.

41 7. THE PROVIDER FAILS TO SEPARATELY STORE FIREARMS AND AMMUNITION
42 UNDER LOCK AND KEY OR COMBINATION LOCK.

43 ~~F. Nothing in This section is meant to AND SECTION 41-1967.01 DO NOT~~
44 ~~create an affirmative obligation on the part of any state agency or any child~~

1 care resource and referral agency to review, monitor or investigate child
2 care providers and programs.

3 G. Neither this state nor its officers or employees, acting within the
4 scope of their employment, shall be ARE liable for any damage or injury
5 caused by their conduct pursuant to this section OR SECTION 41-1967.01,
6 except for gross negligence or conduct intended to cause injury.

7 H. Neither a child care resource and referral agency nor its officers
8 and employees, acting within the scope of their employment, shall be ARE
9 liable for any damage or injury caused by their conduct pursuant to this
10 section OR SECTION 41-1967.01, except for gross negligence or conduct
11 intended to cause injury.

12 I. The department shall adopt rules which are consistent with the
13 terms of this section.

14 Sec. 22. Repeal

15 Section 41-1967, Arizona Revised Statutes, as amended by Laws 2001,
16 chapter 111, section 5, is repealed.

17 Sec. 23. Repeal

18 Section 41-2306, Arizona Revised Statutes, as amended by Laws 2000,
19 chapter 372, section 3, is repealed.

20 Sec. 24. Repeal

21 Section 41-2534, Arizona Revised Statutes, as amended by Laws 2001,
22 chapter 324, section 33, is repealed.

23 Sec. 25. Section 44-313, Arizona Revised Statutes, as amended by Laws
24 2001, chapter 117, section 36 and chapter 146, section 5, is amended to read:

25 44-313. Deposit of monies; definition

26 A. Except as otherwise provided in this section or section 44-314, the
27 department shall deposit, pursuant to sections 35-146 and 35-147, all monies
28 received pursuant to this chapter, including the proceeds from the sale of
29 abandoned property pursuant to section 44-312, except that:

30 1. Thirty-five per cent of the monies shall be deposited in the
31 housing trust fund established by section ~~41-1512~~ 41-3955.

32 2. Twenty per cent of the monies shall be deposited in the housing
33 trust fund established by section ~~41-1512~~ 41-3955. These monies shall be
34 used exclusively for the development of eligible and viable affordable
35 housing in rural areas and for the purposes authorized under the housing
36 development fund established by section ~~41-1518~~ 41-3956.

37 3. Twenty per cent of the monies shall be deposited in the funds in
38 the amounts provided in section 5-113, subsection A.

39 B. The department shall deposit monies from unclaimed shares and
40 dividends of any corporation incorporated under the laws of this state in the
41 permanent state school fund pursuant to article XI, section 8, Constitution
42 of Arizona.

43 C. The department shall deposit monies from unclaimed victim
44 restitution payments in the victim compensation and assistance fund

1 established by section 41-2407 for the purpose of establishing, maintaining
2 and supporting programs that compensate and assist victims of crime.

3 D. The department shall retain in a separate trust fund at least one
4 hundred thousand dollars from which the department shall pay claims.

5 E. Before making the deposit, the department shall record the name and
6 last known address of each person who appears from the holders' reports to
7 be entitled to the property and the name and last known address of each
8 insured person or annuitant and beneficiary. The department shall also
9 record the policy or contract number of each policy or contract of an
10 insurance company that is listed in the report, the name of the company and
11 the amount due. The department shall make the record available for public
12 inspection during reasonable business hours.

13 F. Before making any deposit to the credit of the state general fund,
14 the department may deduct, subject to legislative appropriation,
15 administrative expenses in the following order of priority:

16 1. Any costs in connection with the sale of abandoned property.
17 2. Costs of mailing and publication in connection with any abandoned
18 property.

19 3. Reasonable department service charges.

20 4. Costs incurred in examining records of holders of property and in
21 collecting the property from those holders.

22 5. Lawful holder charges.

23 G. The department shall deposit monies received pursuant to section
24 35-187 in the homeless trust fund as provided in section 41-2021 in an amount
25 of not more than one million dollars. The department shall deposit monies
26 in excess of one million dollars pursuant to the distribution described in
27 subsections A and B of this section. Before making any deposit in the
28 homeless trust fund, the department shall deduct any amounts related to owner
29 claims and interest payments.

30 H. For the purposes of this section, "rural area" means either:

31 1. A county with a population of less than four hundred thousand
32 persons.

33 2. A census county division with less than fifty thousand persons in
34 a county with a population of four hundred thousand or more persons.

35 Sec. 26. Delayed repeal

36 Section 44-313, Arizona Revised Statutes, as amended by Laws 2001,
37 chapter 22, section 15, is repealed from and after September 30, 2002.

38 Sec. 27. Section 44-314, Arizona Revised Statutes, as amended by Laws
39 2001, chapter 117, section 37, is amended to read:

40 44-314. Federal deposit insurance corporation trust fund;
41 temporary custody; interest

42 A. The federal deposit insurance corporation trust fund is established
43 consisting of monies the department receives from the federal deposit
44 insurance corporation under the unclaimed deposits amendments act of 1993
45 (P.L. 103-44; 107 Stat. 220; 12 United States Code section 1822(e)). The

1 department shall administer the fund. Monies in the fund are continuously
2 appropriated.

3 B. If the monies deposited in the federal deposit insurance
4 corporation trust fund are not claimed by the owner within ten years after
5 being surrendered to the department, the department shall return the monies
6 to the federal deposit insurance corporation.

7 C. This state retains all interest earned on the monies in the federal
8 deposit insurance corporation trust fund. The interest earned on the monies
9 in the federal deposit insurance corporation trust fund shall be credited as
10 follows:

11 1. Sixty-five per cent in the state general fund.

12 2. Thirty-five per cent in the housing trust fund established by
13 section ~~41-1512~~ 41-3955.

14 Sec. 28. Delayed repeal

15 Section 44-314, Arizona Revised Statutes, as amended by Laws 2001,
16 chapter 22, section 16, is repealed from and after September 30, 2002.

17 Sec. 29. Section 44-1445, Arizona Revised Statutes, as amended by Laws
18 1998, chapter 258, section 6, is amended to read:

19 44-1445. Duration of registration; renewal notice; application
20 and fee

21 A. Registration of a mark under the provisions of this article shall
22 be effective for a term of ten years from the date of registration. Upon
23 application filed within three SIX months prior to the expiration of such
24 term, on a form to be furnished by the secretary of state, the registration
25 may be renewed for a like term. A mark registration may be renewed for
26 successive periods of ten years in a like manner.

27 B. The secretary of state shall notify registrants of marks under this
28 article of the necessity of renewal within the year next preceding the
29 expiration of the ten years from the date of registration by writing to the
30 last known address of the registrants.

31 C. Any registered mark expires ten years from the date of the
32 registration, or of the last reregistration thereof, and may be reregistered
33 by filing an application with the secretary of state on a form furnished by
34 the secretary of state and paying the renewal fee therefor within three SIX
35 months prior to the expiration of the registration.

36 Sec. 30. Repeal

37 Section 44-1445, Arizona Revised Statutes, as amended by Laws 2001,
38 chapter 106, section 3, is repealed.

39 Sec. 31. Section 49-551, Arizona Revised Statutes, as amended by Laws
40 2001, chapter 229, section 2, is amended to read:

41 49-551. Air quality fee; air quality fund; purpose

42 A. Every person who is required to register a motor vehicle in this
43 state pursuant to section 28-2153 shall pay, in addition to the registration
44 fee, an annual air quality fee at the time of vehicle registration of one
45 dollar fifty cents. Unless and until the United States environmental

1 protection agency grants a waiver for diesel fuel pursuant to section
2 211(c)(4) of the clean air act, every person who is required to register a
3 diesel powered motor vehicle in this state with a gross vehicle weight rating
4 of more than eight thousand five hundred pounds pursuant to section 28-2153
5 and every person who is subject to an apportioned fee for diesel powered
6 motor vehicles collected pursuant to title 28, chapter 7, articles 7 and 8
7 shall pay an additional apportioned diesel fee of ten dollars.

8 B. The registering officer shall collect the fees and immediately
9 deposit, pursuant to sections 35-146 and 35-147, the air quality fees in the
10 air quality fund established pursuant to subsection C of this section and
11 shall deposit the diesel fees in the voluntary vehicle repair and retrofit
12 program fund established pursuant to section 49-474.03.

13 C. An air quality fund is established consisting of monies received
14 pursuant to this section, gifts, grants and donations, and monies
15 appropriated by the legislature. The department of environmental quality
16 shall administer the fund. Monies appropriated for purposes prescribed by
17 paragraph 6- 5 of this subsection and gifts, grants and donations designated
18 for purposes prescribed by paragraph 6- 5 of this subsection shall be
19 accounted for in one separate account within the fund. Monies in the air
20 quality fund shall be used, subject to legislative appropriation, for:

21 1. Air quality research, experiments and programs conducted by or for
22 the department for the purpose of bringing area A or area B into attainment
23 status, improving air quality in areas of this state outside area A or area
24 B and reducing levels of particulate and ozone pollution both inside and
25 outside of vehicle emissions control areas of this state.

26 ~~2. Funding the Arizona clean air fund established by section 41-1516.~~
27 ~~The sum of two hundred fifty thousand dollars shall annually be transferred~~
28 ~~to the fund.~~

29 ~~3. 2. Determining the cause of visual air pollution in counties with~~
30 ~~a population of four hundred thousand persons or more according to the most~~
31 ~~recent United States decennial census.~~

32 ~~4. 3. Conducting the hazardous air pollutants research program and~~
33 ~~preparing the report as prescribed by section 49-426.08.~~

34 ~~5. 4. Developing and adopting rules in compliance with sections~~
35 ~~49-426.03, 49-426.04, 49-426.05 and 49-426.06.~~

36 ~~6. 5. Conducting a public education program to reduce emissions of~~
37 ~~ozone forming substances in cooperation with Maricopa county and other~~
38 ~~affected parties, including private industries. To the extent possible, this~~
39 ~~program shall be coordinated with other public and private efforts to~~
40 ~~increase public awareness of air quality issues. In addition, the department~~
41 ~~shall accelerate pollution prevention technical assistance efforts pursuant~~
42 ~~to section 49-965, subsection A, paragraph 6. The department shall identify~~
43 ~~sources that emit ozone forming substances and shall establish a~~
44 ~~clearinghouse for information on the supply of products that may be used to~~
45 ~~substitute for substances that contribute to ozone formation.~~

1 D. No disbursement or expenditure of monies in the air quality fund
2 may be made for any purposes other than those set forth in subsections C, E
3 and G of this section.

4 E. The department of environmental quality shall transfer four hundred
5 thousand dollars from the air quality fund to the department of
6 administration for the purposes prescribed by section 49-588 in eight
7 installments in each of the first eight months of a fiscal year.

8 F. This section does not apply to an electrically powered golf cart
9 or an electrically powered vehicle.

10 G. Monies in the fund do not revert to the general fund. The
11 department may make grants to a regional planning agency, county, city or
12 town located within a vehicle emissions control area or areas which have
13 achieved maintenance status for the purpose of air quality research or
14 implementation of programs designed to accomplish the purposes of this
15 section.

16 Sec. 32. Repeal

17 Section 49-551, Arizona Revised Statutes, as amended by Laws 2001,
18 chapter 371, section 14, is repealed.

19 Sec. 33. Repeal

20 Laws 2000, chapter 122, section 1, as amended by Laws 2001, chapter
21 358, section 1, is repealed.

22 Sec. 34. Repeal

23 Laws 2000, chapter 122, section 3, as amended by Laws 2001, chapter
24 358, section 3, is repealed.

25 Sec. 35. Repeal

26 Laws 2001, chapter 324, section 30 is repealed.

27 Sec. 36. Retroactive application

28 A. Sections 31 and 32 of this act apply retroactively to from and
29 after June 30, 2001.

30 B. Sections 4, 5, 9, 10, 11, 12, 15, 16, 17, 18, 29 and 30 of this act
31 apply retroactively to August 9, 2001.

32 C. Sections 13 and 14 of this act apply retroactively to from and
33 after November 1, 2001.

34 D. Sections 19, 20, 21 and 22 of this act apply retroactively to from
35 and after March 31, 2002.

36 E. Sections 2 and 3 of this act apply retroactively to from and after
37 July 1, 2002.

38 Sec. 37. Effective date

39 Sections 25 and 27 of this act are effective from and after September
40 30, 2002.


APPROVED BY THE GOVERNOR MAY 20, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 20, 2002.

Passed the House March 18, 20 02,

by the following vote: 51 Ayes,

3 Nays, 6 Not Voting

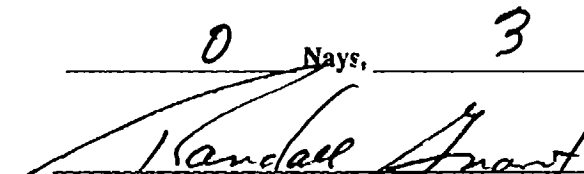

Speaker of the House



Chief Clerk of the House

Passed the Senate May 7, 20 02,

by the following vote: 27 Ayes,

0 Nays, 3 Not Voting


President of the Senate


Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20 _____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20 _____,

at _____ o'clock _____ M.

Governor of Arizona

H.B. 2213

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20 _____,

at _____ o'clock _____ M.

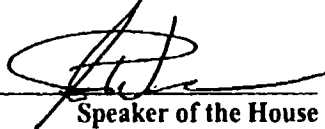
Secretary of State

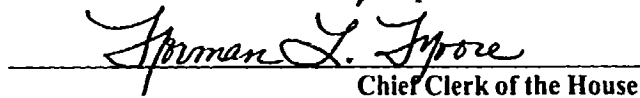
HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 16, 2002,

by the following vote: 52 Ayes,

3 Nays, 5 Not Voting


Speaker of the House


Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

16 day of May, 2002

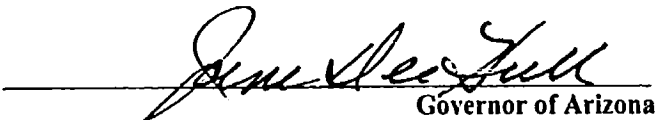
at 3:00 o'clock P M.


Secretary to the Governor

Approved this 20th day of

May, 2002,

at 10:03 o'clock A M.


Governor of Arizona

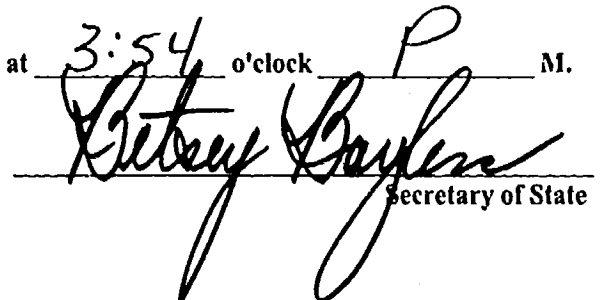
H.B. 2213

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 20 day of May, 2002,

at 3:54 o'clock P M.


Secretary of State